

bullion fund, in which rouble notes of small denominations were redeemed, and to issue a considerable amount of such notes while large military forces were maintained in Manchuria.¹ In Russia itself the preference for paper over gold which was the result of the long regime of paper money had not been outgrown and made it easy for the bank to conform to this preference without impairing confidence in the stability of the monetary standard.²

The crisis of 1899 led to several changes in the charter of the State bank, designed to aid the private banks. The term of commercial paper which might be accepted by the State bank for re-discount was extended from three to eight months and the privilege of re-discount was extended to the private banks on loans on securities which were not acceptable directly by the State bank, on the conditions that the rate of discount should be ten per cent, and that the risk should be divided between the two institutions.³

A general view of the accounts of the Bank of Russia for representative 3[^]ears appears in the table below. The small amount of the gold resources of the bank in earlier years is explained by the fact that much of the gold in the country was held by the Treasury, until the plans for resuming gold payments were put in operation which have been described. The gold includes in most cases deposits by the bank in foreign countries. The decline in gold resources after 1898 was due to the entry of gold into circulation in lieu of notes retired, and a true view of the money in circulation would include this gold. The deposits as reported include government deposits of all types, which make up by far the largest proportion of the total. Thus, on January 5, 1908, Treasury deposits were 433,740,000 roubles. There are several strong commercial banks, which do much of the discount business under ordinary conditions.

¹ Le Marche Financier en /p0/-05, 932.

² Helfferich, 103.

³ Le Mar die Financier en 1899-1900, "462.